

THE COMMISSIONERS OF CHARLES COUNTY  
RETIREE HEALTH PLAN

THE COMMISSIONERS OF CHARLES COUNTY

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# THE COMMISSIONERS OF CHARLES COUNTY

## ARTICLE I: PURPOSE

The purpose of this Plan is to provide health and welfare benefits to eligible retirees and, in certain instances, their survivors and dependents in accordance with policies and practices of Charles County (the "County") as in effect from time to time. The policies for the plan year beginning July 1, 2008 are enumerated herein and attached as Exhibit 1 and Exhibit 2 to this Plan.

## ARTICLE II: DEFINITIONS

Whenever used herein, the following terms have the meanings set forth below unless a different meaning is clearly required by the context.

2.01 Code: The Internal Revenue Code of 1986, as amended, and its regulations; 2.02

Commissioners: The Board of County Commissioners of Charles County. 2.03

County: Charles County, Maryland.

2.04 Covered Agency: An agency that is associated with the County in serving the citizens of the County and is listed on Exhibit 3. A Covered Agency must be a political subdivision within the meaning of Section 115 of the Internal Revenue Code of 1986, as amended.

2.05 Dependents: Dependents are a Retiree's:

- (a) Legal spouse, as recognized by the laws of the State of Maryland; and
- (b) Any other person who qualifies as a dependent under the terms of a Group Program.

2.06 Group Health Plans: Group insurance policies and contracts issued to the County to provide medical, hospitalization, dental, vision care and prescription drug coverage for Retirees, Survivors and their Dependents who participate in the Plan and for which the County and the Retiree and the Survivor pay premiums.

2.07 Group Programs: Group Health Plans and any other self funded benefit plans, group insurance policies or contracts issued to the County to provide health and

welfare benefits for Participants and for which the County and, for certain programs, the Retiree and the Survivor pay premiums.

2.08 Group Providers: The companies that issue and/or administer the Group Programs.

2.09 Participant: Any Retiree, Survivor or Dependent who participates in the Plan in accordance with Article III.

2.10 Plan: The Commissioners of Charles County Retiree Health Plan as set forth herein, and as amended from time to time.

2.11 Retiree: A former employee of the County or a Covered Agency who meets the eligibility requirements for the Retiree Insurance Plan which is attached as Exhibit 1 or Exhibit 2.

2.12 Survivor: The surviving spouse of a Retiree who meets the eligibility requirements for one or more of the Group Programs.

### ARTICLE III: PARTICIPATION

3.01 Commencement of Participation: A Retiree will become eligible for participation in the Plan on the date of his or her retirement. The County may require that a Retiree complete enrollment prior to commencement of participation in the Plan. If a Retiree fails to complete enrollment within a timely manner following the date the Retiree is first eligible to participate in the Plan, the Retiree may not commence participation on a later date.

3.02 Termination of Participation: Participation in and coverage under the Group Programs ends on the date provided under each of the Group Programs, or, where applicable, upon failure of the Participant to pay the Participant's share of premiums. If a Retiree's coverage under any Group Program terminates for any reason, the Retiree may not resume coverage at a later date.

3.03 Continuation of Coverage: The Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA") requires that a Participant's family be given the opportunity to continue coverage, if eligible, under certain Group Health Plans when there is a "qualifying event" that would result in a loss of coverage under the Group Health Plan. Qualifying events include the Participant's death, divorce or legal separation from the Participant's spouse, a dependent child ceasing to be an eligible dependent or the Participant becoming enrolled in Medicare. The individual Group Programs will dictate the rights, if any, to continued coverage.

## ARTICLE IV: ELECTIONS AND FUNDING

4.01 Election Procedure: A Retiree or Survivor may elect to participate in and receive benefits under this Plan by giving notice in a form acceptable to the County and by paying the applicable portion of the premium. The election must be received by the County prior to the first day of coverage. Elections automatically terminate on the date on which the Participant ceases to be a Participant.

4.02 Plan Funding Policy: Premiums and other contributions for the County's share of the cost of the Group Programs may be paid, as determined by the County, from the assets of the County or from the assets of the Retiree Benefit Trust of Charles County (the "Trust"). Premium payments for some Programs may require contributions by the Participant as well as the County. The frequency and amount of such contributions shall be established from time to time by the County. Except as permitted under Section 402(1) of the Code, payments made by Participants will not be excluded from their taxable income. No Participant shall have any claim against, right to, or interest in the Trust. In the event that the County or the trustee of the Trust for any reason fails to pay premiums for, or otherwise implement the Group Programs for Participants, the sole liability of the County shall be limited to the amount of premiums otherwise payable. The County shall not be responsible for any losses to Participants or dependents for such failure beyond the amount of such premiums or contributions.

4.03 Benefits: The Plan currently provides Participants with one or more of the following Group Programs through various Group Providers:

- Medical Plan
- Prescription Drug Plan
- Dental Plan
- Vision Care Plan

The current benefits for Retirees are described in Exhibit 1 and Exhibit 2. It is anticipated that the terms of Exhibit 1 and Exhibit 2 will change from time to time as the County's policies and practices change. No formal amendment to this document will be required to reflect such changes.

The County shall have no responsibility for the payment of benefits, other than payments for benefits provided through Group Programs that are not fully insured. Benefits under all other Group Programs are payable solely by the Group Provider pursuant to the Group Programs. The County shall be responsible for the payment of the County's share and the transmission of the Participants' share of the premiums for fully insured Group Programs. The Group Provider will have the sole responsibility to pay all valid benefit claims. All claims for benefits shall be filed with the Group Provider, which

has the sole right to determine what benefits are payable under the terms of the insurance policies.

4.04 Nondiscrimination: Each benefit provided by the County that is a self-insured medical expense reimbursement plan as described in Section 105(h) of the Code shall comply with the nondiscrimination requirements of Section 105(h) of the Code and Treasury Regulation section 1.105-11.

4.05 Participant's Responsibilities: Each Participant shall be responsible for providing the County with the Participant's and each Dependent's current address. Any notices required or permitted to be given hereunder shall be deemed given if directed to such address and mailed by regular United States mail. The County shall have no obligation or duty to locate a Participant.

4.06 Limitation: In no event may a Participant (1) receive cash in lieu of benefits under the Plan, (2) make a pre-tax salary reduction election to pay for any benefit under the Plan, or (3) convert accrued unused sick leave or vacation leave to additional benefits under this Plan.

#### ARTICLE V: ADMINISTRATION

5.01 Delegation of Duties: The County may delegate in writing its duties under the Plan to one or more officers or employees or to individuals or entities independent of the County.

5.02 Powers of the County: The County shall have all powers which are necessary to administer the Plan, including but not limited to the following:

(a) To interpret the provisions of the Plan and decide questions of eligibility to participate. In the event that the provisions of any Group Program conflict with or contradict the provisions of this document or any other Group Program, the County shall use its discretion to interpret the terms and purpose of the Plan so as to resolve any conflict or contradiction. However, the terms of this document may not enlarge the rights of a Participant, Dependent or beneficiary to benefits available under any Group Program.

(b) To establish rules and prescribe any forms necessary or desirable for the administration of the Plan.

5.03 Actions of the County: The County shall have all other powers necessary or desirable to administer the Plan, including, but not limited to, the following:

(a) To prescribe procedures to be followed by Participants in making elections under the Plan and in filing claims under the Plan;

(b) To prepare and distribute information explaining the Plan to Participants;

(c) To receive from Participants and beneficiaries such information as shall be necessary for the proper administration of the Plan;

(d) To keep records of elections, claims, disbursements for claims under the Plan, and any other information required by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") or the Code;

(e) To appoint individuals or committees to assist in the administration of the Plan and to engage any other agents it deems advisable;

(f) To purchase any insurance deemed necessary for providing benefits under the Plan;

(g) To accept, modify or reject Participant elections under the Plan;

(h) To promulgate election forms and claim forms to be used by Participants;

(i) To prepare and file any reports or returns with respect to the Plan required by the Code or any other laws;

(j) To determine and announce any Participant contributions required hereunder;

(k) To determine and enforce any limits on benefits elected hereunder;

(l) To take such action as may be necessary to cause direct payment of any Participant contributions required hereunder; and

(m) To correct errors and to make equitable adjustments for mistakes made in the administration of the Plan; specifically, and without limitation, to recover erroneous overpayments made from the Plan to a Participant or beneficiary, in whatever manner the County determines is appropriate, including suspensions or recoupment of, or offsets against, future payments due that Participant or beneficiary.

**5.04 Claims Procedures:** The County has delegated claims administration to the Group Providers. The claims procedure governing the Group Program will govern an individual claim for benefits under that Group Program.

5.05 Notification of Eligibility: Upon becoming eligible to participate in the Plan, all Retirees will be notified of the availability and terms and conditions of the Plan. Upon the Plan being amended or changed, the County will promptly notify all Plan Participants.

## ARTICLE VI: MISCELLANEOUS

6.01 Amendment and Termination: Subject to the terms of any agreement that may be binding on the County, the County reserves the right to modify, reduce, suspend or terminate the Plan with respect to its Participants, any benefit provided thereunder, or its participation therein, in whole or in part at any time. Unless otherwise specifically provided, amendments shall be only prospective in impact.

6.02 Certificate of Creditable Coverage: HIPAA requires that if a Participant terminates coverage under a group health plan that the Participant be provided with a Certificate of Creditable Coverage. A Certificate of Creditable Coverage is a written document that shows the type of coverage the Participant previously had under a group health plan and how long that coverage lasted. The Certificate of Creditable Coverage applies to all individuals who were covered under the group health plan (the Participant, the Participant's legal spouse and the Participant's eligible Dependents). Without evidence of creditable coverage, individuals may be subject to a preexisting condition exclusion for 12 months (18 months for late enrollees) after enrolling in new health coverage. The Plan will provide Participants and/ or their legal spouse and eligible Dependents with a Certificate of Creditable Coverage, upon request, if such request is made within 24 months after coverage under this Plan terminates.

6.03 Applicable Law: This Plan shall be construed and enforced according to the laws of the State of Maryland, other than its laws respecting choice of law, to the extent not preempted by any federal law.

6.04 Imputed Income: The County will take reasonable steps to identify Dependents who do not qualify as a spouse or dependent under Section 152 of the Code, and will include in the income of Participants imputed income relating to the participation in the Plan of any such Dependent.

## ARTICLE VII: PROTECTED HEALTH INFORMATION

7.01 Use and Disclosure: Definitions: The Plan will use protected health information only to the extent of and in accordance with the uses and disclosures permitted by HIPAA, specifically, for purposes related to health care treatment, payment for health care and health care operations.



(a) "Payment" includes activities undertaken by the Plan to obtain premiums or determine or fulfill its responsibility for coverage and provision of Plan benefits that relate to an individual to whom health care is provided.

(b) "Health care operations" include, but are not limited to, quality assessment, retiree and dependent population-based activities relating to improving health or reducing the cost of health care, protocol development, rating health care provider and plan performance, underwriting, premium rating and other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits, business planning and development, including conducting cost-management and planning-related analyses related to managing and operating the Plan, including formulary development and administration, development or improvement of payment methods or coverage.

7.02 Covenants of the County: With respect to protected health information, the County agrees to:

(a) Not use or further disclose protected health information other than as permitted or required by the Plan or as required by law;

(b) Ensure that any agents, including a subcontractor, to whom the County provides protected health information received from the Plan agree to the same restrictions and conditions that apply to the County with respect to such protected health information;

(c) Not use or disclose protected health information for employment-related actions and decisions unless authorized by an individual;

(d) Not use or disclose protected health information in connection with any other retiree benefit plan sponsored by the County unless authorized by an individual;

(e) Report to the Plan any unauthorized or improper protected health information use or disclosure of which it is aware, as soon as it becomes aware;

(f) Make protected health information available to an individual in accordance with HIPAA's access requirements;

(g) Make protected health information available for amendment by an individual and incorporate any amendments to protected health information in accordance with HIPAA;

(h) Make available the information required to provide an accounting of disclosures;

(i) Make internal practices, books and records relating to the use and disclosure of protected health information received from the Plan available to the United States Health and Human Services Secretary for the purposes of determining the Plan's compliance with HIPAA; and

(j) If feasible, return or destroy all protected health information received from the Plan that the County still maintains in any form, and retain no copies of the protected health information when no longer needed for the purpose for which disclosure was made. Alternatively, if return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction infeasible.

**7.03 Separation between Plan and County:** In accordance with HIPAA, only persons designated as HIPAA officers may be given access to protected health information.

**7.04 Limitation on Access to Protected Health Information:** The persons described in Section 7.03 may only have access to and use and disclose protected health information for Plan administration functions that the County performs for the Plan.

**7.05 Noncompliance:** If the persons described in Section 7.03 do not comply with this Plan, the County shall provide a mechanism for resolving issues of noncompliance, including disciplinary actions.

IN WITNESS WHEREOF, the undersigned does hereby set his hand and seal.

ATTEST:

COMMISSIONERS OF  
CHARLES COUNTY

--e

By: Edith Patterson

Date: 3/Oct 109

**Exhibit 1**  
**CHARLES COUNTY COMMISSIONERS**  
**HEALTH INSURANCE POLICY - RETIREES**  
**Effective August 1, 1997**

*Revised July 1, 1999; Revised July 1, 2002; Revised August 1, 2005; Revised June 1, 2007,  
Revised June 23, 2009 and Revised September 20, 2016.*

**Retiree Health Insurance Policy for Employees Hired On or After January 1, 2017:**

This policy applies to all civilian, non-public safety employees of Charles County who are hired on January 1, 2017 or after and are enrolled in the active employee medical insurance. If an employee enrolls in the medical insurance, they are required to be enrolled in the Employer Sponsored Voluntary Employee Beneficiary Account (VEBA) program pursuant to section 501(c)(9) of the Internal Revenue Code. The Plan will be funded with Employer contributions, mandatory eligible employee contributions or combination of both on behalf of the eligible employees. The contribution may be adjusted each year based on the Consumer Price Index (CPI). Upon retirement or separation from employment, the employee will be able to use the funds in the (VEBA) to pay your health insurance premiums and other qualified medical expenses.

**Retiree Health Insurance Policy for Employee Hired Before January 1, 2017:**

This policy applies to all civilian, non-public safety employees of Charles County who are eligible to participate in the employee benefits program who were hired before January 1, 2017. In addition, it shall also apply to any Public Safety employee of the County who elected not to transfer to the Public Safety Benefit under the Charles County Employees' Pension Plan, as well as any correctional officer or communications dispatcher who is not a participant in the Charles County Sheriff's Office Retirement Plan.

**I. DEFINITIONS**

For purposes of this policy, the following definitions shall apply:

**RETIREE:** an individual who leaves County employment or employment with a covered agency after meeting the minimum age and years of service requirements for retirement under the Charles County Employee's Pension Plan as amended July 1, 1997. This definition shall apply to all employees even if an individual is not a participant in the Charles County Employee's Pension Plan at the time of retirement.

**SERVICE:** length of full time employment and/or full-time reduced hour (FTRH) employment with Charles County or a Covered Agency. Service does not include any additional credited service an individual may receive for accrued unused sick leave, service with another governmental employer or pre-employment military service at the time of retirement.

**II. PLAN PROVISIONS**

A. A retiree as defined above will be eligible to participate in the County's Retiree Health Plan ("the plan") if all of the following qualifications are met:

1. has a minimum of 5 years of service; and
2. has passed his/her 52nd birthday; and
3. a combination of age and years of service that total a minimum of 70 years; and
4. has been enrolled in the plan for the three (3) plan years immediately preceding retirement.

B. If a retiree does not meet the criteria as set forth in II.A. above, he/she would not be eligible to participate in the plan but would be provided benefits under COBRA provisions.

- C. 1. A retiree who meets the criteria set forth in Section II.A. above will be able to participate in the plan in accordance with the following payment percentage schedule: (NOTE: Service does not include any additional credited service an individual may receive for accrued unused sick leave, service with another governmental employer or pre-employment military service at the time of retirement.)

<u>Years of County Service</u>	<u>Percentage Paid by County</u>
5 years	2% per year - 10%
Yrs. 6 - 10	3% per year (maximum 25% total)
Yrs. 11 - 15	4% per year (maximum 45% total)
Yrs. 16 - 20	4.34% per year (maximum 66.7% total)
Yrs. 20+	66.7%

2. If an individual retires prior to his/her normal retirement age, the payment percentage indicated in Section II.C.1. would be calculated as follows: The number of years the individual is retiring early would be deducted from the total years of service. The payment percentage would then be calculated using the adjusted years of service.

Example: Employee A retires at age 55 with 21 years of service, which would be five (5) years early. Five (5) would be deducted from 21 years of service, resulting in 16 years of adjusted service.

D. **Death of an employee:**

1. If, at the time of death, an employee has met the eligibility requirements for retirement but has not yet retired AND meets the criteria set forth in II.A. above, a spouse and/or dependent who was covered at the time of death will be eligible to receive health insurance under the plan in accordance with the payment premium scheduled in II.C. above.
  2. If, at the time of death, an employee has not met the eligibility requirements for retirement, the spouse and/or dependent who was covered at the time of death will be eligible for benefits under COBRA provisions.
- E. The terms and conditions for retiree health insurance benefits for appointed officials may differ from those stated in Sections II.A, B, or C. above if specified in the official's employment contract.

III. **GENERAL REGULATIONS**

- A. A retiree who qualifies under Section II.A. above but who elects at the time of retirement not to participate in the plan, will not be allowed to enroll at a later date.
- B. A retiree whose participation in the plan is terminated at any time, for any reason, will not be allowed to rejoin the plan at a later date.
- C. A retiree may continue to cover, at no additional charge, eligible dependents who were enrolled in the plan at the time of retirement. However, if a retiree wishes to add dependents after retirement, the retiree shall be responsible for paying 100% of the premium cost associated with adding the dependent(s).
- D. A retiree and/or dependent who is disabled or over age 65 must enroll in Medicare in order to participate in the plan. If a retiree or dependent is not age 65 and is not disabled at time of retirement, Medicare enrollment must be completed upon reaching age 65 or becoming disabled to continue coverage. The County's medical insurance becomes secondary to Medicare when a retiree reaches age 65 or becomes disabled.

- E. In the event of a retiree's death, the spouse and/or any dependent(s) enrolled in the plan at the time of retiree's death may continue on the plan at the same contribution level. Participation may continue for a spouse until the spouse remarries, for a dependent until the dependent no longer meets eligibility requirements and for a spouse or dependent until another employer sponsored health insurance program is available to the spouse and/or dependent.
- F. If a retiree who has health insurance under the County's retiree health insurance program returns to work for the County in a benefit eligible position, the retiree's health insurance shall remain under the retiree health insurance program.

#### **IV. PAYMENT OF HEALTH INSURANCE PREMIUMS**

- A. If a retiree receives a monthly annuity check from the County's Employee Retirement Plan, the retiree shall have the option of having the total monthly premium deducted automatically from the retiree's monthly retirement check or to be billed monthly for the health insurance premium. If monthly billing is selected, terms and conditions will be the same as stated below in IV.B.
- B. If a retiree does not receive a monthly annuity check from the County retirement plan, he/she will be billed monthly for the health insurance premium(s). Payment will be due within 15 days from the date of the invoice. If payment is not received within 45 days of the date of the invoice, the insurance may be cancelled for non-payment of premium.

- V. **THE COUNTY RESERVES THE RIGHT** to change or eliminate these benefits for current or future retirees. This includes but is not limited to (1) change in the dollar amount of premiums, (2) change in the cost sharing between the retiree and the County, (3) change in the health care providers available for retiree health insurance, and (4) changes in the types of coverages available for retirees.

**Exhibit 2  
CHARLES COUNTY COMMISSIONERS  
HEALTH INSURANCE POLICY**

**RETIREES UNDER SHERIFF'S OFFICE RETIREMENT PLAN  
and  
PUBLIC SAFETY RETIREES UNDER CHARLES COUNTY EMPLOYEES' PENSION PLAN  
*Effective August 1, 1997  
Revised July 1, 2002, Revised August 1, 2005, Revised June 23, 2009,  
and Revised September 20, 2016.***

Retiree Health Insurance Policy for Employees Hired On or After January 1, 2017:

This policy applies to all sworn officers, correctional officers and communications dispatchers who are participants, non-public safety employees of Charles County who are hired on January 1, 2017 or after and are enrolled in the active employee medical insurance. If an employee enrolls in the medical insurance, they are required to be enrolled in the Post Employment Health Plan (PEHP) program pursuant to section 501(c)(9) of the Internal Revenue Code. The Plan will be funded with Employer contributions, mandatory eligible employee contributions or combination of both on behalf of the eligible employees. The contribution may be adjusted each year based on the Consumer Price Index (CPI). Upon retirement or separation from employment, the employee will be able to use the funds in the Voluntary Employee Beneficiary Account (VEBA) to pay your health insurance premiums and other qualified medical expenses.

Retiree Health Insurance Policy for Employee Hired Before January 1, 2017:

This policy applies to sworn officers, correctional officers and communications dispatchers who are participants in the Charles County Sheriff's Office Retirement Plan, as well as Public Safety participants in the Charles County Employees' Pension Plan. For individuals employed in the previously mentioned positions but who have elected to remain in the County's retirement plan or not to participate in either retirement plan, the Charles County Health Insurance Policy for Retirees shall apply.

**I. DEFINITIONS**

For purposes of this policy, the following definitions shall apply:

**RETIREE:** an individual who leaves County employment after meeting established criteria for retirement under either the Charles County Sheriffs Office Retirement Plan or the Charles County Employees' Pension Plan, as applicable. An individual that is participating in DROP is considered an active employee and not a retiree.

**SERVICE:** length of full time employment and/or full-time reduced hour (FTRH) employment with Charles County or the Charles County Sheriffs Office. Service does not include any additional credited service an individual may receive for accrued unused sick leave, service with another governmental employer or pre-employment military service at the time of retirement.

## II. PLAN PROVISIONS

- A. A retiree as defined above will be eligible to participate in the County's Retiree Health Plan ("the plan") if the retiree has been enrolled in the plan for the three (3) plan years immediately preceding retirement.
- B. If a retiree does not meet the criteria as set forth above in II.A., he/she would not be eligible to participate in the plan but would be provided benefits under COBRA.

## III. PREMIUM COST SHARING PROVISIONS

- A. Normal Retirement: A retiree who meets the criteria set forth in the definition above will be eligible to participate in the County's Retiree Health Plan ("the plan"). The retiree will pay 33-1/3% of the monthly premium, while the County will pay 66-2/3%.
- B. Line of Duty - Total & Permanent Disability Retirement: An individual who is granted a total and permanent disability retirement due to an injury sustained in the line of duty will be eligible to participate in the plan. The retiree will pay 33-1/3% of the monthly premium, while the County will pay 66-2/3%.

*(NOTE: Enrollment for the three (3) plan years immediately preceding retirement is not required for an individual who retires under this provision. The individual must, however, be enrolled in the plan at the time the disability retirement is granted.)*

- C. Line of Duty - Permanent/Partial Disability Retirement: An individual who is granted a permanent/partial disability retirement due to an injury sustained in the line of duty will be eligible to participate in the plan. The cost shall be divided equally among the County and the retiree, with each paying 50% of the monthly premium.
- D. Non-Line of Duty - Disability Retirement: An individual who retires due to an injury or illness not directly related to his/her occupation will be eligible to participate in the plan in accordance with the following payment percentage schedule (minimum of five (5) years of service):

<u>Years of County Service</u>	<u>Percentage Paid by County</u>
5 years	2% per year - 10%
Yrs. 6 - 10	3% per year (maximum 25% total)
Yrs. 11-15	4% per year (maximum 45% total)
Yrs. 16 - 20	4.34% per year (maximum 66.7% total)
Yrs. 20+	66.7%

- E. Line of Duty - Death: If an individual dies as the result of an injury sustained in the line of duty, the spouse and/or dependent who was covered at the time of death will be eligible to participate in the plan. The spouse and/or dependent will pay 33-1/3% of the monthly premium, while the County will pay 66-2/3%.
- F. Non-Line of Duty - Death:
  - 1. If, at the time of death, an individual has met the eligibility requirements for retirement but has not yet retired, a spouse and/or dependent who was covered at the time of death will be eligible to participate in the plan. The spouse and/or dependent will pay 33-1/3% of the monthly premium, while the County will pay 66-2/3%.
  - 2. If, at the time of death, an employee has not met the eligibility requirements for retirement, the spouse and/or dependent who was covered at the time of death will be eligible for benefits under COBRA provisions.

#### IV. GENERAL REGULATIONS

- A. A retiree who qualifies for health insurance under Section II above but who elects at the time of retirement not to participate in the retiree health insurance plan, will not be allowed to enroll at a later date.
- B. A retiree whose participation in the plan is terminated at any time, for any reason, will not be allowed to rejoin the plan at a later date.
- C. A retiree may continue to cover, at no additional charge, eligible dependents who were enrolled in the plan at the time of retirement. However, if a retiree wishes to add dependents after retirement, the retiree shall be responsible for paying 100% of the premium cost associated with adding the dependent(s).
- D. A retiree and/or dependent over age 65 or disabled must enroll in Medicare in order to participate in the plan. If a retiree or dependent is not age 65 or disabled at time of retirement, Medicare enrollment must be completed upon reaching age 65 or becoming disabled to continue coverage. The County's medical insurance becomes secondary to Medicare when a retiree reaches age 65 or becomes disabled.
- E. In the event of a retiree's death, the spouse and/or any dependent(s) enrolled in the health plan at the time of retiree's death may continue on the plan at the same contribution level. Participation may continue for a spouse until the spouse remarries, for a dependent until the dependent(s) no longer meet eligibility requirements and for a spouse or dependent until another employer sponsored health insurance program is available to the spouse and/or dependents.
- F. If a retiree who has health insurance under the County's retiree health insurance program returns to work for the County in a benefit eligible position, the retiree's health insurance shall remain under the retiree health insurance program.



**V. PAYMENT OF HEALTH INSURANCE PREMIUMS**

- A. A retiree shall be given the option of having the total monthly premium for the retiree's health insurance deducted automatically from the retiree's monthly retirement benefit or to be billed monthly for the premium.
- B. If a retiree elects to be billed monthly for the health insurance premium, payment will be due within 15 days from the date of the invoice. If payment is not received within 45 days of the date of the invoice, the insurance may be cancelled for non-payment of premium.

**VI. THE COUNTY RESERVES THE RIGHT** to change or eliminate these benefits for current or future retirees. This includes but is not limited to (1) change in the dollar amount of premiums, (2) change in the cost sharing between the retiree and the County, (3) change in the health care providers available for retiree health insurance, and (4) changes in the types of coverage available for retirees.

Approved

Date

4.26.10

Peter F. Murphy, President  
County Commissioners of Charles County, MD